

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

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**FISCAL IMPACT STATEMENT**

**LS 6513**

**BILL NUMBER:** HB 1113

**NOTE PREPARED:** Dec 27, 2009

**BILL AMENDED:**

**SUBJECT:** Reimbursement of Incarceration expenses.

**FIRST AUTHOR:** Rep. Barnes

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:** ☒ **GENERAL**  
☐ **DEDICATED**  
☐ **FEDERAL**

**IMPACT:** State & Local

**Summary of Legislation:** This bill provides that a court may require an inmate sentenced to the Department of Correction to pay certain incarceration costs.

**Effective Date:** July 1, 2010.

**Explanation of State Expenditures:**

**Explanation of State Revenues:** Depending on the convicted person's net worth, the Department of Correction could recover some or all of the costs of incarcerating an offender.

The following shows the formula to determine how much revenue the court may be able to order the defendant to pay based on the defendant's net worth.

| Net Worth                       | Percent Reimbursement<br>for Incarceration |
|---------------------------------|--|
| \$200,000 or more               | 100%                                       |
| Between \$160,000 and \$200,000 | 80%  |
| Between \$120,000 and \$160,000 | 60%  |
| Between \$80,000 and \$120,000  | 40%  |
| Between \$40,000 and \$80,000   | 20%  |

The amount that the convicted person is liable for is determined under IC 35-38-1-5(b). The amount of

incarceration is calculated by multiplying the number of days of incarceration by the most recent per diem rate. As an illustration of how much a convicted person might be assessed, the Department of Correction used a per diem rate of \$52.81 for all adult institutions in FY 2007.

**Explanation of Local Expenditures:** The bill is expected to result in additional workload for probation officers by requiring probation officers to gather information about a convicted person's financial situation, including the person's net worth, when preparing a presentence investigation report prior to sentencing. The added workload will depend on how easily the probation officer can access a person's financial background through credit check web sites. If probation officers have access to nationwide consumer reporting agencies such as Equifax, Experian, and TransUnion and the convicted person has tax records, bank accounts, and credit cards, then the cost of estimating the person's net worth would be purchasing access to the records maintained by these agencies.

The financial background of convicted persons can be difficult and time consuming to assess if they have no bank or checking accounts and no credit cards. The percentage of convicted persons with little or no electronic history is not known.

**Explanation of Local Revenues:**

**State Agencies Affected:** Department of Correction.

**Local Agencies Affected:** Courts with criminal jurisdiction; Probation departments.

**Information Sources:** Don Travis, Chief Probation Officer, Howard County; Todd McCormack, Chief Probation Officer, Hendricks County; Tim Brown, Department of Correction; Jane Siegel, Indiana Judicial Center

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